ing power, for taking various measures pertaining to sick industrial companies, falling within the purview of the Act.

(x) A reduction in the rate of excise duty on paper and paperboard manufactured by small paper mills having a production upto 24,000 tonnes per annum, by Rs. 100/- per tonne from the existing rate for each of the existing slabs has been announced in the recent Budget.

Visit of Arab and Palestinian delegation

1283. SHRI MUKHTIAR SINGH MALIK: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that a delegation of Arab and Palestinian businessmen recently visited India and offered export finances to push Indian Products in the International Market;

(b) whether the delegation has also offered to set up Joint Ventures in Electronics, Petroleum, Industries and Mining in India; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (c) A delegation of Palestinian and Arab business leaders led by Dr. Nabil Shaath, Political Adviser to the PLO Chairman visited India in February, 1988 as part of a programme to have a look at the achievements of India and to explore the possibilities of Arab-Indian Economic and Business Co-operation. The programme of the delegation was co-ordinated by the Tata Management and Training Centre, Pune. The Arab team, during discussions offered to assist India in pushing her exports to Middle East and West Asian countries. The delegation further offered to set up industries in India with financial support to produce goods for export to other countries. Areas like forestry, mining and cash crops were suggested for possible cooperation. No specific proposals were, however, made by the delegation.

Maruti 1000 cc cars

1284. SHRI BIR BHADRA PRATAP SINGH:
SHRI BHAGATRAM MANHAR:

Will the Minister of INDUSTRY be pleased to refer to the answer to Unstarred Question 716 given in the Rajya Sabha on the 29th February, 1988 and state:

(a) whether it is a fact that Maruti Udyog Limited is likely to launch the 1000 cc cars in the near future; and

(b) if so, what are the salient features of these cars and by when the booking for these cars will commence?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) Maruti Udyog Ltd. have submitted a proposal to Government for manufacturing a 1000cc car with a separate luggage boot. The proposal is under consideration of the Government.

Increase in the Trade margin

1285. SHRI M. KADHARSHA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government have increased the trade margin of wholesalers and retailers for medicines;

(b) what was the trade margin allowed under DPCO 1979 and what

is under DPCO 1987 along with the percentage increase;

(c) whether it is a fact that Government have not made any study and arbitrarily increased the trade margin; and

(d) if so, on whose recommendation such decision of increase was taken my Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) A Statement is attached. (*See* below).

(c) and (d) Government gave due consideration before incorporating the revised trade margins in the DPCO, 1987.

Statement

Provisions relating to the trade margins in the DPCO, 1979 and DPCO, 1987 are as under:

DPCO, 1979

24. PRICE TO THE WHOLESALER AND RETAILER—(1) No manufacturer, importer or distributor shall sell a formulation to a wholesaler and as otherwise permitted under the provisions of this Order or any other order made thereunder, at a price higher than—

(a) the retail price minus 14 per cent thereof, in the case of ethical drugs, and

(b) the retail price minus 12 per cent therof, in the case of non-ethical drugs.

(2) No manufacturer, importer, distributor or wholesaler shall sell a formulation to a retailer unless otherwise permitted under the provisions of this Order or any order made thereunder, at a price higher than—

(a) the retail price minus 12 per cent thereof, in the case of ethical drugs, and

(b) the retail price minus 10 per cent thereof, in the case of non-ethical drugs.

Explanation: For the purposes of this paragraph—

(i) "ethical drugs" shall include all drugs specified in Schedule C, entries Nos. 1, 2, 3, 7, 8 and 9 of Schedule C(1), Schedule E, Schedule G, Schedule H and Schedule L, appended to the Drugs and Cosmetics Rules, 1945, made under the Drugs and Cosmetics Act, 1940 (23 of 1940); and

(ii) "non-ethical drugs" shall mean all drugs other than ethical drugs.

(3) Notwithstanding anything contained in sub-paragraphs (1) and (2), the Government may, by a general or special order, fix, in public interest, the price to the wholesaler or retailer in respect of any formulation the price of which has been fixed or revised under this Order.

DPCO, 1987

21. PRICE TO THE WHOLESALER AND RETAILER—(1) No manufacturer, importer or distributer shall sell a formulation to a wholesaler unless otherwise permitted under the provisions of this Order or any other order thereunder, at a price higher than—

(a) the retail price minus 20 per cent thereof, in the case of ethical drugs; and

(b) the retail price minus 18 per cent, thereof, in the case of non-ethical drugs.

No manufacturer, importer, distributor or wholesales shall sell a formulation to a retailer unless otherwise permitted under the provisions of this Order or any other order made thereunder, at a price higher than—

(a) the retail price minus 17 per cent thereof, in the case of ethical drugs; and

(b) the retail price minus 15 per cent thereof, in the case of non-ethical drugs.

Explanation: For the purpose of this paragraph—

(i) "ethical drugs" shall include all drugs specified in Schedule C, Entries Nos. 1, 2. 3, 7, 8 and 9 of Schedule C(1), Schedule G, Schedule H, appended to the Drugs and Cosmetics Act, 1940 (23 of 1940); and

(ii) "non-ethical drugs" shall mean all drugs other than ethical drugs.

(3) Notwithstanding anything contained in sub-paragraph (1) and (2) the Government may by a general or special order, fix, in public interest, the price to the wholesaler or retailer in respect of any formulation the price of which has been fixed or revised under this order.

STD facilities in Orissa Towns

1286. SHRI SUBAS MOHANTY: Will the Minister of COMMUNICATIONS be pleased to state:

(a) the number of towns in Orissa which are connected by STD facility with State capitals as on 31st January, 1988;

(b) what are the names of the towns where this facility is proposed to be provided during 1988-89; and

(c) what steps are being taken in this regard?

THE MINISTER OF ENERGY AND THE MINISTER OF COMMUNICATIONS (SHRI VASANT SATHE): (a) 12 towns (including Bhubaneswar) are connected by STD facility with State capitals.

(b) Angul, Bhadrak, Chatrapur (Distt. Ganjam), Jeypore and Koraput are proposed to be provided with STD facility during 1988-89.

(c) Action is being taken for provision of transmission media and automatisation of the manual exchange of Jeypore.

'Intercorporate Fund'

@1287. SHRI JAGESH DESAI: Will the Minister of INDUSTRY be pleased to state:

(a) whether there is any proposal to establish "Intercorporate Fund" for public sector industries to transfer funds by way of loans or otherwise from the Public Sector Unit to other Public Sector Unit;

(b) if so, the details thereof; and

(c) if so, the action taken thereon and what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE

@Previously Unstarred Question 1069 transferred from the 3rd March, 1988.